

Teachers' Retirement System of the State of Kentucky

Executive Summary Fact Sheet (as of June 30, 2018)

	Pension Fund	
	June 30, 2018	June 30, 2017
Membership		
Active	72,205	72,130
Retired	54,377	52,966
Total	126,582	125,096

Retirement Benefits Paid by TRS	Millions	Millions
Monthly retiree benefits	\$ 170	\$ 160
Annual retiree benefits	\$ 2,044	\$ 1,919

Actuarial Information	<i>Traditional Funding Method</i>	
	<i>Assumed growth rate of liability</i>	<i>7.50%</i>
	7.50%	7.50%
	Millions	Millions
Actuarially Determined Liabilities	\$ 33,796	\$ 32,820
Actuarially Smoothed Asset Value	19,496	18,515
Unfunded	\$ 14,300	\$ 14,305
Funded Ratio	57.7%	56.4%

	<i>GASB 67 Accounting Method</i>	
	<i>Assumed growth rate of liability</i>	<i>7.50%</i>
	7.50%	4.49%
	Millions	Millions
Liabilities	\$ 33,709	\$ 46,967
Net Asset Position	19,982	18,708
Unfunded	\$ 13,727	\$ 28,259
Funded Ratio	59.3%	39.8%

Investment Information	<u>Millions</u>	<u>Percent</u>	<u>Millions</u>	<u>Percent</u>
Asset Allocation				
Cash	\$ 237	1.2%	\$ 366	2.0%
Fixed Income	3,036	15.3%	2,934	15.9%
Domestic Equities	8,165	41.3%	7,682	41.5%
International Equities	4,503	22.7%	4,004	21.6%
Real Estate	1,151	5.8%	1,047	5.6%
Private Equity	1,095	5.5%	855	4.6%
Timberland	187	1.0%	208	1.1%
Alternative credits and other	1,429	7.2%	1,435	7.7%
	\$ 19,803	100.0%	\$ 18,531	100.0%

Net Investment Returns	Rate of Return	10.5%	15.0%
	Policy Index	9.3%	14.0%
	Investment Fees (of assets)	0.310%	0.350%

FY 18	1-year	3-year	5-year	10-year	20-year
Rate of Return	10.5%	7.9%	9.2%	7.8%	6.1%
Policy Index	9.3%	8.2%	9.0%	7.5%	

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	Medical Fund	
	June 30, 2018	June 30, 2017
Membership		
Kentucky Employees Health Plan (under 65)	13,207	11,424
Medicare Eligible Health Plan	34,544	33,296
Total	47,751	44,720

Medical Benefits Paid by TRS	<u>Millions</u>	<u>Millions</u>
Monthly retiree benefits	\$ 14	\$ 15
Annual retiree benefits	\$ 169	\$ 179

Actuarial Information	<i>Traditional Funding Method</i>	
	8.00%	8.00%
	<u>Millions</u>	<u>Millions</u>
Actuarially Determined Liabilities	\$ 3,341	\$ 3,692
Actuarially Smoothed Asset Value	1,214	986
Unfunded	\$ 2,127	\$ 2,706
Funded Ratio	36.3%	26.7%

(GASB 67 only applies to pensions)

	<u>Millions</u>	<u>Millions</u>
Net Assets	\$ 1,190	\$ 958
Net Investment Returns		
Rate of Return	8.4%	14.4%
Investment Fees (of assets)	0.42%	0.46%

FY 18	1-year	3-year	5-year	10-year	20-year
Gross Return	8.9%	6.7%	7.3%		
Policy Index	8.7%	7.6%	Index established July 1, 2015		

Monthly Premium Costs	<u>2019</u>	<u>2018</u>
Kentucky Employees Health Plan*	\$ 667.48	\$ 667.48
Medicare Eligible Health Plan	\$ 226.00	\$ 258.00

* Includes administration fee paid to DEI (as of Jan. 1 of that year)